

Message Text

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64

ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 COME-00 EB-11 LAB-06 SIL-01 OPR-02 A-01 SY-10

OC-06 CCO-00 DRC-01 /136 W
----- 012030

P R 031949Z JAN 74

FM AMEMBASSY BRIDGETOWN

TO SECSTATE WASHDC PRIORITY 6523

INFO AMEMBASSY KINGSTON

AMEMBASSY PORT OF SPAIN

AMEMBASSY GEORGETOWN

COMCARIBSEAFRON

CINCLANT FOR POLAD

UNCLAS SECTION 1 OF 2 BRIDGETOWN 0012

E.O. 11652: N/A

TAGS: BB, PINT

SUBJ: BARBADOS HOTEL STRIKE

REF: BTN 0001

SUMMARY: AS REPORTED REFTEL, BARBADOS' 5000 HOTEL WORKERS WENT ON STRIKE DEC 31 AFTER PROTRACTED NEGOTIATIONS BETWEEN BARBADOS WORKERS' UNION AND HOTEL ASSOCIATION FAILED TO PRODUCE NEW WAGE AGREEMENT. MONTH-LONG NEGOTIATIONS WERE MARKED BY BITTER BARGAINING, HEATED EXCHANGES IN MEDIA, AND SERIES OF RALLIES AND MARCHES BY WORKERS. POSITIONS OF BOTH SIDES HAVE GROWN INCREASINGLY RIGID WITH NEITHER EVIDENCING WILLINGNESS TO MAKE FURTHER CONCESSIONS, THUS MAKING PROSPECTS FOR EARLY SETTLEMENT DIM. PM, WHO HAS BEEN CRITICIZED FOR FAILURE TO TAKE PUBLIC STAND ON DISPUTE, SCHEDULED TO GIVE TELEVISED ADDRESSEVENING JAN 3. STRIKE MARRED BY NUMEROUS CLASHES BETWEEN WORKERS AND HOTEL MANAGERS, PROMPTING POLICE INTERVENTION AND RESULTING IN MINOR PROPERTY DAMAGE. MANY GUESTS LEAVING THE
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ISLAND AND SOME HOTELS REPORTEDLY PLANNING TO CLOSE. BARBADIANS,

ALREADY FACED WITH SOARING PRICES AND IMPACT OF ENERGY CRISIS, SHOWING CONSIDERABLE CONCERN OVER REPERCUSSIONS STRIKE MAY HAVE FOR SHORT AND LONG-TERM PROSPERITY OF ISLAND'S TOURISM-DEPENDENT ECONOMY. END SUMMARY.

1. BARBADOS' NEW YEAR BEGAN ON OMINOUS NOTE AS WORKERS AT 70 HOTELS, GUEST HOUSES AND APARTMENTS WENT ON STRIKE TO DEMAND SUBSTANTIAL WAGE INCREASES. OLD AGREEMENT EXPIRED DEC 14, BUT BARBADOS WORKERS' UNION POSTPONED STRIKE ACTION PENDING OUTCOME FURTHER NEGOTIATIONS WITH HOTEL ASSOCIATION MEDIATED BY ACTING LABOR MINISTER SEN. LEROY BRATHWAITE AND CHIEF LABOR OFFICER KENDRICK JORDAN. MEDIATION PRODUCED SOME CONCESSIONS BY BOTH SIDES ON PERIPHERAL ISSUES OF HOURS AND CONDITIONS OF EMPLOYMENT, BUT FAILED TO RESOLVE BASIC ISSUE OF WAGES.

2. BWU, CONTENDING THAT COST OF LIVING HAS INCREASED 48 PERCENT SINCE LAST AGREEMENT SIGNED IN 1970, AND 22 PERCENT SINCE JAN 1, 1973, INITIALLY DEMANDED WAGE INCREASES RANGING FROM 45 PERCENT TO 62 1/2 PERCENT FOR WORKERS IN LUXURY AND FIRST CLASS HOTELS, WHICH EMPLOY ESTIMATED 67 PERCENT OF ALL HOTEL WORKERS. BHA COUNTERED THAT UNION'S PROPOSED INCREASES, COMING ON TOP OF INCREASED PRICES AND POSSIBLE SLUMP IN TOURISM OWING TO ENERGY CRISIS, WOULD BANKRUPT HOTEL INDUSTRY AND SERIOUSLY DAMAGE ISLAND'S ECONOMY. IN PROPOSING BASIC WAGE INCREASES RANGING FROM MINIMUM OF 20 PERCENT IN 1974 TO MINIMUM OF 37 1/2 PERCENT IN 1977, BHA ARGUED THAT HOTEL WORKERS ALREADY RECEIVING HIGHER WAGES THAN SIMILARLY EMPLOYED WORKERS IN OTHER INDUSTRIES AND THAT ACTUAL TAKE-HOME PAY SUBSTANTIALLY HIGHER BECAUSE OF OVERTIME PAYMENTS, DISTRIBUTION OF 10 PERCENT SERVICE CHARGE, AND GRATUITIES. DURING MEDIATED NEGOTIATIONS BOTH SIDES MADE ONLY MARGINAL MODIFICATIONS IN RESPECTIVE PROPOSALS, LEAVING WIDE AND SEEMINGLY UNBRIDGEABLE GAP.

3. BITTER BARGAINING PRODUCED SEVERAL HEATED EXCHANGES IN PUBLIC MEDIA BETWEEN BWU GENERAL SECRETARY FRANK WALCOTT AND BHA PRESIDENT STEPHEN EDWARDS, WHICH FURTHER POLARIZED TWO SIDES. IN OTHERWISE EXCELLENT LENGTHY AD IN "ADVOCATE-NEWS", IN WHICH VARIOUS CATEGORIES OF WAGES EXPLAINED, BHA MADE UNFORTUNATE REFERENCE TO FACT THAT HOTEL INDUSTRY SUPPORTS

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MUCH OF ECONOMY, "RICH MEN, POOR MEN, BEGGARS AND-REGRETTABLY-THIEVES." BWU PROMPTLY INTERPRETED (OR MISINTERPRETED) "THIEVES" AS REFERENCE TO WORKERS. ON DEC 18, HOTEL WORKERS, OBSERVING WHAT BWU PROCLAIMED AS DAY EVE OF "MEDITATION", MARCHED THROUGH BRIDGETOWN AND GATHERED AT BWU'S DOWNTOWN HEADQUARTERS. ADDRESSING CROWD, WALCOTT CONDEMNED WHAT HE DESCRIBED AS "MICROSCOPIC" WAGES AND PLEDGED SUPPORT OF ENTIRE UNION MEMBERSHIP TO HOTEL WORKERS' STRUGGLE FOR "SOCIAL JUSTICE."

WALCOTT ISSUED ULTIMATUM DEC 27 GIVING BHA UNTIL DEC 29 TO
ACCEPT ITS DEMANDS OR FACE STRIKE. INTERVIEWED BY CBC TELEVISION
DEC 29, EDWARDS REITERATED HOTELIERS DETERMINATION TO CLOSE
RATHER THAN ACCEPT SETTLEMENT THEY REGARDED IMPOSSIBLE TO
IMPLEMENT AND FATAL TO INDUSTRY AND NATION'S ECONOMY. IN
ANNOUNCING DECISION TO STRIKE AT PRESS CONFERENCE DEC 30,
WALCOTT STATED THAT BWU HAD "ABSOLUTELY NO INTENTION WHATSOEVER
TO GIVE IN ONE MILLIMETER OF AN INCH TO ANYBODY IN BARBADOS
ON THIS ISSUE."

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ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 COME-00 EB-11 LAB-06 SIL-01 OPR-02 A-01 SY-10

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P R 031949Z JAN 74

FM AMEMBASSY BRIDGETOWN
TO SECSTATE WASHDC PRIORITY 6524
INFO AMEMBASSY KINGSTON
AMEMBASSY PORT OF SPAIN
AMEMBASSY GEORGETOWN
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UNCLAS FINAL SECTION OF 2 BRIDGETOWN 0012

4. BITTERNESS THAT CHARACTERIZED NEGOTIATIONS HAS SPILLED OVER
INTO STRIKE. ON DEC 31, WORKERS AT SOME HOTELS REPORTED FOR
WORK BUT THEN ATTEMPTED TO OBSTRUCT MANAGEMENT STAFFS ATTEMPTING
TO SERVE GUESTS. IN SEVERAL INSTANCES HOTELIERS CALLED ON
POLICE TO DISPERSE OBSTREPEROUS STRIKERS ON HOTEL PREMISES,
BUT IN MOST CASES POLICE PRESENCE REPORTEDLY HAD LITTLE
EFFECT. THERE HAVE BEEN NUMEROUS CLASHES BETWEEN STRIKERS AND
HOTEL MANAGERS, AND ONE ASSISTANT HOTEL MANAGER WAS REPORTEDLY
BEATEN BY MEN SAID TO BE STRIKERS. BHA HAS ANNOUNCED ITS
INTENTION TO TAKE LEGAL ACTION AGAINST SOME STRIKERS AND ONE

UNNAMED UNION OFFICER FOR ALLEGEDLY INTIMIDATING NON-STRIKING WORKERS AND INTERFERING IN THE ACTIVITIES OF GUESTS AND MANAGERIAL PERSONNEL. BARBADOS EMPLOYERS CONFEDERATION ADOPTED RESOLUTION'S 2 SUPPORTING BHA'S POSITION, CONDEMNING ACTIONS OF SOME UNION MEMBERS, AND JOINING IN BHA'S CALL FOR GOVERNMENT COMMISSION OF INQUIRY INTO DISPUTE. BWU FOR ITS PART HAS REITERATED ITS CALL, MADE REPEATEDLY OVER PAST SEVERAL MONTHS, FOR ESTABLISHMENT OF WAGE/PRICE COMMISSION WITH REPRESENTATION FROM BUSINESS, LABOR AND GOVERNMENT TO DRAFT WAGE/PRICE UNCLASSIFIED

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GUIDE*INES.

5. IMPACT OF STRIKE HAS BEEN UNEVEN, WITH SOME SMALLER HOTELS AND FAMILY GUEST HOUSES LITTLE AFFECTED. HARDEST HIT HAVE BEEN LUXURY AND FIRST CLASS HOTELS WHICH PRO*IDE BULK OF TOURIST ACCOMMODATIONS. LARGE NUMBERS OF GUESTS REPORTEDLY LEAVING ISLAND ON SPECIALLY ARRANGED FLIGHTS, AND SOME HOTELS PLANNING TO CLOSE AS SOON AS PRESENT GUESTS HAVE DEPARTED. SOME VISITORS ARRIVED TO FIND RESERVATIONS CANCELLED, AND OTHERS REPORTEDLY BEING DIVERTED TO OTHER ISLANDS IN CARIBBEAN.

6. MEANWHILE, PUBLIC HAS EVIDENCED INCREASING CONCERN OVER IMPACT STRIKE MAY HAVE ON ISLAND'S TOURISM-DEPENDENT ECONOMY. INFLEXIBILITY OF BOTH SIDES HAS BEEN CRITICIZED BY MEDIA EDITORIALISTS AND PROMINENT COMMUNITY LEADERS, INCLUDING CATHOLIC BISHOP ANTHONY DICKSON. EQUALLY HARSH CRITICISM HAS BEEN RESERVED FOR GOB'S INEFFECTIVE MEDIATION EFFORTS, ITS FAILURE TO TAKE A PUBLIC STAND ON ISSUE, AND ITS APPARENT INABILITY TO CONTROL UNRULY WORKERS. PM ERROL BARROW, MAKING FIRST PUBLICIZED ENTRY INTO DISPUTE, MET WITH BHA PRESIDENT EDWARDS JAN 2 AND WAS TO HOLD SIMILAR MEETING WITH BWU REPRESENTATIVES IN EFFORT TO BRING BOTH SIDES BACK TO NEGOTIATING TABLE. EDWARDS ALSO MET WITH LABOR MINISTER PHILIP GREAVES, WHO HAS RETURNED FROM MEDICAL TREATMENT IN LONDON. FOLLOWING MEETINGS WITH BARROW AND GREAVES, EDWARDS ANNOUNCED THAT BHA PREPARED TO RESUME NEGOTIATIONS JAN 3 IF BWU AGREES. BARROW SCHEDULED TO GIVE TELEVISED ADDRESS AT 8:00 P.M. JAN 3. DONOVAN

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Message Attributes

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